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ABSTRACT

This report describes new major education initiatives to enhance economic development in New York State. The 1970-1987 period has seen dramatic change in the labor profile impelled by technological and market forces transforming the economy. Apart from some fairly stable sectors, the state economy is characterized by a shift from manaufacturing to services and high technology goods, the rapid growth of producer and information services, the growth of small businesses, and the increased automation of production. These changes have produced a decline in blue collar jobs and a significant growth in services, wholesale and retail sales and finance, insurance, and real estate. To strengthen human resources for economic growth in the face of technological advances and increased competition, the state needs to upgrade three kinds of instruction: (1) basic literacy, computing skills, and liberal arts; (2) occupational skills and career education; and (3) professional preparation for critical areas such as medicine, engineering, and teaching. The state must also help schools address absenteeism, dropping out, and antischool behavior and increase business and industry's access to university research centers. The report describes 8 initiatives aimed at developing a skilled work force and 25 other programs to strengthen the educational foundation of economic development. Future steps, including model programs for economically distressed areas, are also outlined. (MLH)

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Education, Key to Economic Growth

Recent Major Education Initiatives in Support of Economic Development in New York State

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The University of the State of New York/THE STATE EDUCATION DEPARTMENT
Albany, New York 12234

September 1987

EDUCATION: KEY TO ECONOMIC GROWTH

Recent Major Education Initiatives in Support of Economic Development in New York State

This report reviews ongoing changes in the economy, highlights current education initiatives in support of economic development, and outlines next steps in addressing issues related to the education foundations of economic development.

The University of the State of New York
THE STATE EDUCATION DEPARTMENT
Albany, New York 12234
September 1987

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FOREWORD

During the past year, the Board of Regents and the State Education Department, the Legislature, and the Governor have undertaken a number of actions that will continue to enhance the quality of educational programs and support the economic development of the State. Foremost among these are:

- Enactment of a $7.3 billion State Aid to Schools program, which represents a record increase of $684.0 million over the last school year;
- Support amounting to $120.4 million for programs such as the Schools as Community Sites program, Youth-at-risk Community Partnership, and Attendance Improvement/Dropout Prevention programs to strengthen educational and support services to at-risk youth and their communities;
- Investments totaling $15.0 million for Teacher Centers and $131.2 million for the Excellence in Teaching Program which provides funding for local salary increases; and
- Support for higher education amounting to $3.2 billion, representing an increase of $135.6 million over 1986-87.

This report describes new major education initiatives in support of economic development in New York State. It was prepared for the Regents Task Force on Education and Economic Development in order to take stock of recent actions of the educational system that promote economic growth in the State and to provide a framework for new initiatives in support of the State's economy.

The 1987 report sketches the major changes taking place in New York State's economy, and reviews the role of educational institutions in upgrading standards, retraining the State's labor force, and providing information and research services. It also describes initiatives that directly impact on the availability of a skilled work force, and activities that contribute to the long-term economic health of our State. Finally, the report outlines future steps to be taken by the Regents Task Force in promoting a joint education and economic development agenda for the State.

Thomas Sobol

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EDUCATION: KEY TO ECONOMIC GROWTH

Recent Major Education Initiatives in Support of Economic Development in New York State

Continuing structural change in the national economy and intense competition from foreign countries and other states present new challenges to New York as the State economy continues to improve through the late 1980's. Our ability to further stimulate economic growth and to retain business and industry within the State is challenged by the advance of new technology and the ensuing need for a trained work force. Education has a major responsibility in addressing two critical needs of economic growth: the need to enhance the quality of the labor force, and the need to promote technological innovation. Partnerships among educational institutions, business, government and labor are essential to address these needs.

I. Background

The 1980's have been a period of recovery following several years of economic decline during the 1970's. The State population has grown by 17,000, and total employment has exceeded 8.1 million between 1980 and 1987. In May 1987, there were 894,000 more jobs in New York State than in 1980. The unemployment rate was 4.6 percent in May 1987, whereas the United States average was 6.1 percent. Per capita personal income continued to grow faster in New York than in the United States as a whole: between 1980 and 1985 the State average increased from $10,794 to $16,050, while the national average increased from $9,910 to $13,876.

The period from 1970 to 1987 in general has been one of dramatic change in the labor profile impelled by technological and market forces transforming the economy. Though some sectors have remained relatively stable, the economy as a whole continues to be characterized by a shift from manufacturing to services and high technology goods, the rapid growth of producer and information services, the growth of small business, and the increased role of automation in production. These changes have had a twofold impact on the State's employment patterns.

- A decline in blue collar jobs due to technological change:
  - In May 1987, there were 1.2 million manufacturing jobs compared to 1.8 million jobs in 1970. This represents a loss of 548,000 jobs or a 31 percent decrease in manufacturing jobs.
  - In 1940, there were 300 manufacturing jobs for every 100 service positions. In 1960, there were 192 manufacturing jobs for every 100 service positions. In 1986, there were 59 manufacturing jobs for every 100 service positions.
- A significant growth in services, wholesale and retail sales, and finance, insurance and real estate:
  - In May 1987, there were 2.2 million jobs in the service sector, compared to 1.4 million jobs in 1970, an increase of approximately 63 percent or 861,600 jobs.
  - In May 1987, there were 1.7 million jobs in the wholesale and retail trade sector, compared to 1.4 million jobs in 1970. This represents an increase of 19 percent or 272,000 jobs.
  - In May 1987, there were 777,700 jobs in the finance, insurance and real estate sector, compared to 592,100 in 1970. Employment in this sector increased by 31 percent or 185,600 jobs.
  - In 1950, 17 percent of the State's work force was engaged in information-related work, compared to 56 percent in 1983. In 1990, an estimated 65 percent of the work force will be so occupied.

II. Implications of a Changing Economy

In any kind of economy, education is a key factor in increasing the rate and scope of economic growth. Within the context of an increasingly technological and competitive environment, education is essential not only for getting a job but also to ensure advancement beyond entry level, minimum salary employment. Education must continue to support economic growth by developing strategies that enhance the quality of the labor force, and promote technological innovation.

In response to the need to strengthen human resources for economic growth, education throughout the State needs to upgrade the following kinds of instruction:

- Basic literacy and computing skills, and liberal arts, for flexibility and adaptability required to keep up with rapid changes in a technological society.

- Occupational skills, including training and retraining for the latest advances in knowledge and technology, and career education, for greater familiarity with the work place, preferably through contact with environments that give youth and adults a more realistic picture of business needs.
- Professional preparation in critical areas such as medicine, engineering and teaching.

Participation in educational programs is a prerequisite for individuals to attain the skills required for productive participation in the marketplace. Those that drop out of school miss the opportunity to acquire the basic skills necessary for getting and keeping a job. This will in turn hamper the development of a skilled work force, without which the State will not be able to develop a highly productive and competitive economy.

With this in mind, schools must develop strategies to address absenteeism, dropping out, and anti-school behavior. When undertaken in conjunction with economic development strategies such as the Governor's Economic Development Zones program, these efforts have the potential to assist in the economic recovery of distressed communities and the consequent improvement of conditions related to dropping out. Basic education, career counseling, training, and job placement for at-risk populations not only support economic growth, but also provide opportunities for individuals to achieve a measure of self-sufficiency, thereby diminishing the need for public assistance and related expenditures.

The research capabilities of the State's educational institutions are a key resource to business. Access by business and industry to university research centers will maximize opportunities for the application of new technologies to increase productivity. The need to use the research capacities of our higher education system effectively on behalf of business and industry has been highlighted in recent reports that stress the importance of education for the economic well-being of the nation. Likewise, increased collaboration between business and industry with university research centers will enhance our ability to develop new marketable technologies.

III. Efforts in Progress, 1987-88

In 1983 the Regents adopted a policy statement on the "Role of Education in Support of New York State's Economic Development." The report summarizes educational policies to be implemented over the next decade to support the State's economic growth. The Regents Task Force on

Education and Economic Development was created to assist in implementing the goals outlined in their policy statement, to coordinate educational programs supporting economic development and to generate new recommendations for Regents consideration.

Numerous specific programs which directly support the Regents policy are already in existence:

Regional Education Centers for Economic Development. Ten Regional Education Centers for Economic Development were created in 1983 to coordinate new occupational and continuing education programs and to mount employer-specific training programs. Support for the Regional Centers is provided through $1.0 million in Vocational Education Act funds and $350,000 in Job Training Partnership Act funds. The centers are located in each of the State's 10 economic development regions designated by the Department of Economic Development. The centers design customized training programs with a view to attracting and retaining companies, and assisting companies with training needs associated with technological changes, especially small businesses with start-up or growth-related training needs. They provide a central point of contact for employers, economic developers, chambers of commerce and regional offices of the Department of Economic Development for the design and development of customized training programs for employers. The employer-specific and entrepreneurship training programs are operated through the centers.

Employer-Specific Training. Approximately $1.2 million of Vocational Education Act (VEA) funds are available in 1987-88 to support employer-specific training programs. Three additional funding sources support employer-specific training activities: the State Education Coordination and Grants Program of the Job Training Partnership Act, $692,000; Title III of the Job Training Partnership Act for the training of dislocated workers, $2.7million; and the Employer-Specific Skills Training Grant Program, $2.4 million. It is anticipated that through 1987, close to 450 employer-specific training projects will serve over 41,000 trainees. These programs are coordinated through the Regional Centers for Economic Development.

Entrepreneurship Education Training. The capacity of education agencies to provide technical assistance to small business owners and employees has been tapped by projects initiated through the Regional Education Centers for Economic Development. Since July 1986, the centers have implemented 79 training projects targeted to small businesses en-

trepreneurs, providing training to close to 5,000 owners and employees. A new training initiative geared to minority and women entrepreneurs is being introduced during 1987-88 with $300,000 in Vocational Education Act funds.

Small Business Development Center. New York's Small Business Development Center (SBDC) program was initiated in July 1984 as a cooperative venture between the U.S. Small Business Administration and the State University of New York. The SBDC is designed to provide needed services to local or regional entrepreneurs and small business persons. Such services include direct counseling, on a one-to-one basis, of entrepreneurs and small business owners to address problems inherent in the start-up and operation of a small business, training in areas of business activity and conducting research pertinent to the needs of the small business community. The program seeks to promote investment and employment growth within the small business sector. The program, with $1.2 million in funding for 1987-88, links State, regional, local and federal resources to enhance services in support of New York's small business and entrepreneurial sectors.

Employment and Training Programs. Under the State Education Coordination and Grants Program of the Job Training Partnership Act, approximately $10.0 million are available during the 1987-88 fiscal year for statewide coordination and for the delivery of education, training, and employment services to disadvantaged youth and adults. The State Education Coordination and Grants program funds provide basic skills education in preparation for employment, a structured transition to work experience, and employer-specific job training for hard-to-reach populations and dislocated workers. Approximately $6.2 million have been committed for basic skills training and school-to-work transition programs: $350,000 to link the School and Business Alliance program and the Governor's Economic Development Zone program; and $692,000 for employer-specific occupational training. Over 10,000 persons received comprehensive training services under the State Education Coordination and Grants Program from July 1986 to June 1987. In support of these activities, $2.7 million are available under the Coordinated Outreach State Aid program for public library system services for, among other purposes, educationally disadvantaged, unemployed and those individuals in need of job placement assistance.

Tuition Assistance for Dislocated Workers. Approximately $2.7 million of Title III Job Training Partnership Act funds have been reappropriated by

the Legislature under Section 7 of the State Occupational Retraining and Reemployment Act to provide tuition assistance of up to $1,500 to dislocated workers needing training. Training providers must be licensed or certified by the State Education Department, and offer approved non-degree training programs in occupations with favorable employment opportunities. Currently, there are 1,223 approved programs available at 162 different provider agencies, and over 4,000 dislocated workers are receiving tuition assistance.

Apprenticeship and Supplemental Instruction Program. State Aid funding, amounting to $1.8 million, is available in 1987-88 for related or supplemental instruction for apprenticeship training in programs registered by the State Department of Labor. Each county designates a local education agency to provide programs leading to a journeyman's status. Funding is based on the number of contact hours of apprenticeship related instruction. For school year 1987-88, it is estimated that this aid amounts to approximately $.74 per contact hour, supporting related instruction for approximately 18,700 apprentices.

Hiring Incentive Program for the Disabled. The State Education Department's Office of Vocational Rehabilitation (OVR) spends approximately $90.0 million annually assisting New Yorkers having disabilities to become working independent members of their communities. In 1985-86, more than $19.6 million of these expenditures were available for training at rehabilitation facilities, business schools, trade schools, colleges and universities. As a result, over 9,600 persons with disabilities are placed in jobs each year. OVR strengthens job opportunities for disabled individuals by training disabled workers for jobs in growth industries, working with insurance carriers and the Worker's Compensation Board to rehabilitate workers injured on the job, assisting the participation of disabled persons in Job Training Partnership Act programs, and helping government agencies hire qualified disabled employees under provisions of the Civil Service Law. In addition, OVR is currently developing a Supported Work Program in cooperation with the State Office of Mental Retardation and Developmental Disabilities to provide jobs in private corporations for disabled workers needing special support services on the job.

IV. Strengthening the Education Foundation of Economic Development

The programs described above are specifically geared to enhance economic development by directly addressing pressing occupational human resource needs of business and industry. There are other programs, however, that are not so obviously linked to economic development but perhaps go even deeper in their ability to enhance our collective capacity to contribute to the economy. The main thrust of these programs is to develop a trained group of students – youth and adults – that can function effectively within a rapidly changing economy. In line with this approach, the Regents Action Plan for Elementary and Secondary Education, together with State Aid to Schools, signal New York State's intent to improve the quality of education. Both of these measures are based on the recognition that the long-term economic health of the State must be based on the development of a well trained work force. New York State is laying the foundation, from the earliest grades, for the continued development of a work force equipped to contribute to the economy.

In recognition of the fact that sizable numbers of adults do not have the basic skills required of a self-supporting adult in contemporary society, the provision of basic language and computation skills now becomes a standard mission of the educational system at all levels. Subsequently, these institutions have provided adults with job training to enable their entering or remaining in the work force.

The following actions of the Governor and the Legislature in support of educational programs, most of them included in State Aid to Schools, significantly help educational institutions to train both youth and adults for our rapidly changing economy:

Science and Technology Programs. With a view to strengthening its leadership in science and technology, the State through the Science and Technology Foundation supports a range of activities that bring together public and private resources with leading research universities. In 1987-88, $20.9 million are available to advance the State's science and technology initiatives, an increase of approximately $4.0 million over 1986-87.

The Centers for Advanced Technology (CATs), designated by the Science and Technology Foundation, exemplify a partnership among business and industry, government, and educational institutions. The role of the CATs is to stimulate the transfer of applied research and technology to industry. The eight centers are located at major research universities

throughout the State. Outreach efforts by the CATs keep other educational institutions abreast of the latest technologies. A State appropriation of $9.1 million is available to support the program during 1987-88 – $8.0 million to maintain existing centers, $1.0 million to establish a new center in the emerging field of advanced materials/ceramics, and $100,000 for a competitive grant to a research university to plan a CAT in automation and robotics.

Other key appropriations in support of science and technology activities include: $1.0 million for research and development grants; $1.6 million for the Science and Technology Foundation's Revolving Loan and Investment Fund; $150,000 to assist small businesses in applying and using productivity enhancing technologies; $1.2 million for matching grants to Regional Technology Development Organizations; $3.0 million to develop a site proposal for the federal superconducting supercollider project; $500,000 for the State Industrial Innovation Extension Service; $3.6 million for Small Business Innovation Research Act Matching Grants; and $800,000 for the Cornell University supercomputer center; as well as a continuing grant of $200,000 for the New York State Education and Research Network (NYSERNET), a high-speed telecommunications network that links researchers at the State's major universities, industrial firms, and Brookhaven National Laboratory with the supercomputer center. In 1987-88 the Legislature also appropriated $60.0 million for research or incubator facilities at Alfred University, Clarkson University, Cornell University, New York University, the University of Rochester, and the State University of New York at Buffalo.

Science and Technology Entry Program. The Science and Technology Entry Program (STEP) enacted in 1985 assists minority and economically disadvantaged secondary school students acquire skills necessary to pursue pre-professional or professional education programs of study in scientific, technical, and health-related fields. Grants are available annually on a competitive basis to eligible postsecondary institutions and consortia of institutions. The 1987-88 appropriation of $6.6 million, an increase of $5.0 million over 1986-87, helps ensure that a continuum of services and activities is available at each grade level. These funds provide for a comprehensive program approach including the expansion of existing programs to include middle school and college students. In 1987-88, 34 projects are funded for middle and high school students and 36 for college students. The total number of participating colleges, including consortia, is 86.

School and Business Alliance. Under the Governor's leadership, the School and Business Alliance unites public schools and the private sector towards improving high school graduation rates and the employability skills of youth. The 1987-88 State Budget has allocated $1.2 million to fund educational and employment opportunity projects to be developed by local school districts and businesses under the Alliance. During the 1987-88 school year, approximately 17 school districts having serious dropout and attendance problems are participating in the program. Local linkages with the Governor's Economic Development Zone program are being supported by $400,000 in education funds under the Job Training Partnership Act.

School Business Partnerships. The Business Council of New York State and the State Education Department are currently involved in promoting business and education partnerships at the local level. Schools and businesses in over 100 communities have established different kinds of partnerships such as Join-a-School, Executive in Residence and Internship Programs. The Council and the Department continue to disseminate information about existing partnerships and on how to develop programs appropriate for a company's goals and resources.

Structured Educational Support Program. The Legislature has appropriated $12.0 million in 1987-88 for programs to support in-school youth who are at risk of dropping out. The program is jointly administered by the State Education Department and the State Department of Labor. Of the $12.0 million, $3.0 million are available to expand the Science and Technology Entry Program (STEP) to include paid field experiences for students in scientific, technical and health-related settings during the summer and academic year. Eligible participants are in-school youth, ages 14 through 18, who are economically disadvantaged or members of underrepresented minority groups. The expanded program provides "hands-on" experiences in various settings with a view to improving retention and enhancing the impact of STEP on students, local communities and participating agencies. The Structured Educational Support Program also provides $9.0 million to the State Department of Labor for the expansion of the summer-based Adolescent Vocational Exploration Program (AVE). The additional funding allows the AVE program to include educational and career activities during the academic year with added emphasis on preparing certain AVE students to acquire a high school diploma or equivalent, for entry into postsecondary education, or to attain gainful employment. Of the $9.0 million allocation, $300,000 are

available to the State Education Department to provide technical assistance in support of the program.

Schools as Community Sites Program. The Schools as Community Sites Program funded in 1987-88 for $1.5 million is the successor to the Community Renewal Program, funded for $500,000 during 1986-87. The program calls for schools to diversify their approach to improving education in distressed areas both by improving instruction and by cooperating with other service providers in addressing out-of-school causes of poor performance and dropping out. The program is based on the concept that addressing the needs of economically distressed areas is a requisite for schools to perform successfully their educational role – and that the education services provided are indispensable for the social and economic improvement of these areas. The Schools as Community Sites Program seeks to strengthen education in the school through greater use of human and academic support services as part of the regular school program.

Stay-In-School Partnership Grant Program. The competitive grant program, amounting to $1.5 million, seeks to use the resources of our colleges to help schools increase graduation rates in school districts having high drop-out and truancy rates. Grants are available to colleges and universities for joint projects with local school districts. During 1987-88, ten Stay-In-School Partnership programs are providing support services and compensatory activities for pupils having a high risk of truancy and academic failure. It is estimated that the ten projects will serve 2,755 at-risk students.

Youth-at-Risk. The Youth-at-Risk and Community Partnership Grant Program is being implemented during 1987-88 with an appropriation of $7.0 million. The purpose of the program is to promote the coordination of education and social services to students who are at risk of not completing high school. Grants up to $200,000 are available to school districts and BOCES for activities such as drug and alcohol abuse prevention, suicide prevention programs, and activities to coordinate education and prevention programs with related community efforts.

Attendance Improvement and Dropout Prevention Programs. State aid apportionments are again available for the 1987-88 school year to provide funds for attendance improvement and dropout prevention programs. The formula provides for $37.1 million to be available for school districts to support attendance teachers, guidance counselors, work study opportunities, and alternative education classes in school districts

having low attendance. New funding for the 1987-88 school year, amounting to $1.0 million, is available for competitive grants for rural and small city school districts and BOCES, particularly for services for pregnant teenagers, and programs for students who are parents.

Computer Literacy. Appropriations have been made for the acquisition of computer hardware and software for all school districts during the 1987-88 school year. School districts are receiving State aid for software purchases at the rate of $3.00 per enrolled pupil, providing an estimated $9.3 million on a statewide basis. In addition, an estimated $11.3 million has been appropriated to districts for computer hardware up to $8.00 per enrolled pupil. Computer services aid for the Big Five consists of approximately $15.9 million. These appropriations maintain the aid level established in the 1986-87 school year.

Economics Curriculum. The economics syllabus to be implemented in the 1988-89 school year is intended to meet the mandate of the Board of Regents for a semester course in economics for students in grade 12. The course is designed to provide students with the knowledge and skills in economics that will enable them to function as informed and literate citizens in our society. The emphasis on rational decision-making in economic areas is intended to make students wiser consumers and better citizens.

Education for International Economic Competitiveness. The newly established Center for Multinational and Comparative Education promotes and coordinates programs that focus on the international dimensions of education. The Center encourages exchanges of students, faculty and school administrators and the use of foreign curriculum consultants to provide authentic materials for foreign language programs. To enhance the State's programs in international competitiveness, the Center has developed a legislative proposal creating six university-based multinational education resource centers serving schools, BOCES, postsecondary institutions and business.

Employment Preparation Education Program. An emphasis on basic skills training is indispensable in efforts to enhance the employability of adults. With the enactment of the Employment Preparation Education (EPE) Program in 1984, State Aid has been made available for adult basic education, English as a Second Language, and high school equivalency programs. During the 1987-88 school year, $17.5 million are available for the program, a $1.7 million increase over the previous year's appropriation.

Literacy Awareness Campaign. There has been a substantial increase in the number of adults enrolled in literacy programs statewide, particularly in New York City. In 1984-85, over 133,000 adults were enrolled in literacy programs in New York State. By 1988, it is anticipated that this number will rise to 210,000. To increase access to literacy programs, a toll-free telephone hotline number for literacy was established in 1987 in conjunction with a joint public service campaign by the American Broadcasting Company and the Public Broadcasting Service (PLUS – Project Literacy U.S.). During the 1987-88 school year, approximately $76.9 million are available in the State for literacy programs.

Workplace Literacy. This year a new grant program, amounting to $2.0 million, has been established to support workplace literacy and basic skills education programs for employees of public or private employers or for members of unions whose present level of literacy skills constitute a barrier to continued employment or to promotion. Labor organizations, federations of labor organizations or organizations of employers acting in consortium with labor organizations are eligible to apply for workplace literacy program grants.

Bridge to Employment. State subsidies, amounting to $500,000, have been allocated for a new program that seeks to establish bridge to employment work-try-out and education programs for targeted populations in small- and medium-sized businesses. Eligible participants must be unemployed for a minimum time and have completed one of the following requirements: an occupational education sequence at the secondary level, a two-year associate degree program or comparable adult program, or comparable on-the-job training experience. During the first year, the program will be conducted on a pilot basis in the Mohawk Valley region.

Welfare Education Program. The provision of targeted educational services is an essential component of strategies supporting public assistance recipients in achieving a level of literacy essential to employment. This year $8.0 million, an increase of $2.0 million, are available to provide basic literacy education to out-of-school individuals who lack a high school diploma or its equivalent, are at least 16 years of age and are eligible for social services assistance.

Education Information Centers. The Legislature appropriated $450,000 for the 1987-88 school year to maintain the existing Education Information Centers. These centers are located at seven sites: the Brooklyn Public Library, the Nassau Library System, the Regional Learning Service/ Onondaga County Public Library, the Clinton-Essex-Franklin Library

System, the Chautauqua-Cattaraugus Library System, the 115th Street branch office of the New York Public Library, and the Westchester Educational Brokering Service in White Plains. As part of their activities, the centers help extend access to adult learners by providing free, individualized career and educational counseling services.

Teacher Summer Business Training and Employment Program / Employer-Specific Skills Training Grant Program. An appropriation of $6.4 million is available in 1987-88 for the Teacher Summer Business Training and Employment Program / Employer-Specific Skills Training Grant Program. This year $4.0 million are allocated for the Teacher Summer Business Training and Employment Program and $2.4 million are available for the Employer-Specific Skills Training Grant Program. The Teacher Summer Business Training and Employment Program assists teachers of mathematics, science, computer science and occupational education to engage in summer work in business and industry that directly benefits their effectiveness as teachers. Funding provided through this program helps pay for 30 percent of teachers' compensation up to a maximum of $1,000 for summer work. The Employer-Specific Skills Training Grant Program provides customized training for business and industry. Funds unexpended by September 15 for the Teacher Summer Business Program are available to support Employer-Specific Skills Training Grant Program activities.

Teacher Resource and Computer Training Centers. State funds have again been appropriated to support Teacher Resource and Computer Training Centers. The 74 centers located statewide provide support services for teachers and seek to improve teacher competence in the application of computer technology. Funding for the 1987-88 school year is $15.0 million, a $5.0 million increase over 1986. It is expected that there will be about 91 centers in operation during the 1987-88 school year. In addition to helping teachers improve their skills and competence, the centers have been instrumental in fostering partnerships between schools and business and industry. As further support for the program, companies provide computer equipment, software and consultation services.

Mentor Teacher – Internship Program. State subsidies have doubled from $4.0 million to $8.0 million to provide first-year probationary teachers with the support, guidance and leadership needed as they begin their careers. Funding supports 20 percent of a first year intern's salary and 10 percent of a mentor's salary.

Teacher Opportunity Corps. New funds amounting to $1.0 million are available for grants to institutions of higher education to establish and operate Teacher Opportunity Corps programs leading to permanent certification in teaching. The program is designed to enhance the preparation of prospective teachers who are willing to teach at-risk students and to increase participation in teaching careers by members of minority groups historically underrepresented in the teaching profession.

Teacher Salaries. The Excellence in Teaching Program provides an estimated $131.2 million in funds, with $125.1 million targeted to school districts and $6.1 million to BOCES, for increases in teacher salaries. These funds are available to school districts upon request and must be allocated through separately negotiated salary agreements.

Teacher Recruitment. The Empire State Challenger Undergraduate Scholarships and Graduate Fellowships for Teachers programs were established to encourage students to pursue careers in teaching. In the undergraduate program, 312 awards are available annually for students enrolled in approved undergraduate programs leading to certification in fields where there is a teacher shortage, *i.e.*, mathematics, science, special education, foreign languages, and industrial arts. Award winners may receive up to $3,000 per year, for a maximum of four years. Successful applicants must agree to teach the equivalent of one academic year for every two years of awards received. On the graduate level, 650 awards are available annually for students enrolled in shortage area programs. Successful applicants must agree to teach for the equivalent of one academic year for every one or two years of benefits, depending on the type of award.

Scholarships of Excellence. The Empire State Scholarships of Excellence program, with an appropriation of $2.0 million, recognizes academically talented New York State students by providing an incentive for their attendance at institutions of higher education within New York State. Scholarships amounting to $2,000 each are available to 1,000 students.

These actions by the Governor and the Legislature are the single most important development to help us improve the quality of education and its role in support of economic development. The amounts involved are modest in comparison with the entire State aid allocation; however, the purposes to which they are directed are strategically defined to compensate for limiting factors and to drive other funds to increase productivity. Although our educational institutions have many successful programs which enhance business-school partnerships in education, the demands

of the State's economy will require expansion and additions to these programs to fully develop the State's human resources.

V. Next Steps

The Board of Regents and The Business Council of New York State will develop for the sixth year a joint agenda, including legislative recommendations, for improving the contribution of education to the economy. As the entity that represents the needs of all New York business, the Council is uniquely qualified to represent the business perspective to the education community with a view to seeking a better economic climate for New York State. The Business Council and the Education Department will continue to work together in advancing school-business partnerships throughout the State.

In furtherance of the Regents efforts to link education with business and economic development, the Regents policy statement on education and economic development will be revised to reflect ongoing changes in the economy and the impact of recently established programs. The Task Force will continue to review the implementation of specific actions and initiatives proposed in the policy statement. The 1988 Task Force agenda provides for the continuation of an analysis of school district expenditures within New York State, of the conditions of children living in poverty, and of the growth of an aging population within the context of our social and economic realities.

As part of its policy development responsibility, the Regents Task Force on Education and Economic Development will seek to develop model programs that target resources to communities located in economically distressed areas such as the Schools as Community Sites Program, the Governor's School and Business Alliance and the New York State Economic Development Zones Program. Addressing the social and economic needs of these communities is a requisite for schools to perform successfully their educational roles and to make employment strategies feasible in these communities.

Finally, the State Education Department will continue to collaborate with the Governor's Office in preparing the 1988 Economic Development Program. As in the past, the Department's Report will be responsive to specific components of the Governor's Message concerning the promotion of the State's economic growth.